

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH DAKOTA**

In re:  Northern Beef Packers Limited Partnership SSN/ITIN 26-2530200  Debtor.	Bankr. No. 13-10118 Chapter 11
<b>DEBTOR'S REVISED NOTICE OF BID PROCEDURES</b>	

Debtor Northern Beef Packers Limited Partnership (“Debtor”) files this Revised Notice of Bid Procedures pursuant to the Court’s October 30, 2013 Order Approving Bid Procedures Re: Debtor’s Sale Motion and Related Matters (doc. 505).

1. Attached hereto as Exhibit A is a proposed Notice of Bid Procedures that has been modified in accordance with the Court’s October 30 Order, with the following additions:
  - a. The October 30 Order, at paragraph 25 (b)(i), describes a written statement that parties wishing to become Qualified Bidders are required to provide to the Court. Exhibit A provides that the statement shall be provided to the Debtor and the Debtor’s financial consultant, in addition to the Court.
  - b. Exhibit A includes directions regarding the delivery of the written statements.
2. Promptly after the Court’s approval, the Debtor shall serve a notice substantially in the form of Exhibit A, with such further modifications as the Court may direct, as provided in the October 30 Order.

WHEREFORE, the Debtor requests that the Court enter an order approving the form of Notice of Bid Procedures attached hereto as Exhibit A, and granting such additional relief as may be just and equitable.

Date: October 31, 2013	<p><b>COZEN O'CONNOR</b></p> <p>By: <u>/s/ Joel D. Nessel</u> Steven H. Silton (Minn. #260769) Thomas G. Wallrich (Minn. # 213354) Joel D. Nessel (Minn. #030475X) 33 South Sixth Street, Suite 4150 Minneapolis, MN 55402</p> <p><b>BANTZ, GOSCH &amp; CREMER, L.L.C.</b></p> <p>By: <u>/s/ Rory King</u> Rory King (S.D. #947) 305 Sixth Ave. SE Aberdeen, SD 57402-0970 Phone: (605) 225-2232</p> <p><i>Attorneys for Northern Beef Packers Limited Partnership</i></p>
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**EXHIBIT A**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH DAKOTA**

In re:  Northern Beef Packers Limited Partnership SSN/ITIN 26-2530200  Debtor.	Bankr. No. 13-10118  Chapter 11
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**NOTICE OF BID PROCEDURES**

Set forth below are the bid procedures (the “Bid Procedures”) governing the submission of bids for and the sale of certain assets, including all of the real property, furniture, fixtures, appurtenances, improvements, equipment, machinery, and supplies (the “Operating Assets”) of Northern Beef Packers Limited Partnership (the “Debtor”), and bidders’ qualification to participate in an auction (“Auction”) of such assets as provided below. These Bid Procedures approved by the United States Bankruptcy Court for the District of South Dakota (the “Court”) by order entered on October 30, 2013.

- 1. Solicitation of Bids, Access to Information.** The Debtor is providing these Bid Procedures to all creditors and other parties in interest, including parties that have previously been identified as potential purchasers of the Debtor’s Operating Assets.
- 2. Access to Data Room.** Lincoln has established an electronic data room that will afford potential purchasers with information relevant to Operating Assets, and parties interested bidding on the Operating Assets may access the data room upon execution of an appropriate confidentiality agreement.
- 3. Qualification of Bidders.** Any party wishing to become a “Qualified Bidder” entitled to participate in the Auction shall:
  - a. execute and provide to the Court, the Debtor, and Lincoln, not later than the time of the Auction, a written statement that:
    - i. the bidder makes a cash bid of not less than \$12,750,000.00;
    - ii. the bidder has the financial wherewithal to timely close the sale;
    - iii. the bidder will complete, at its own expense, any regulatory filings that may be required under applicable law in connection with the Sale;
    - iv. the bidder has not colluded, and will not collude, with any other party with respect to the Auction or the Sale; and
    - v. sets forth any affiliation between the bidder and any person or entity with business operations that relate to the operation of any “packer,” as defined in the Packers and Stockyards Act, 1921 (7 U.S.C. § 181 et seq. (“PASA”));
  - b. provide, as an attachment to the statement set forth in part i. above, a copy of any necessary resolution(s) approving the bidder’s purchase of the Operating Assets and identifying the individual(s) authorized to appear on behalf of and act for the bidder for all purposes related to the Auction and the Sale; and

c. make, before December 5, 2013, a deposit of \$1,275,000.00 in the form of a wire transfer to a bank account specified by Debtor and the United States Trustee and provide written proof thereof to the Court at the Auction OR bring to the Auction a certified check for \$1,275,000.00 from an FDIC-insured institution.

**4. Delivery of Statements.** Statements delivered pursuant to these Bid Procedures should be delivered via facsimile or email, and U.S. Mail, addressed as follows:

To the Court:

Federal Building and United States Post Office  
Attn. Judge Charles L. Nail, Jr.  
225 South Pierre Street, Room 211  
Pierre, South Dakota 57501-2463  
Fax: (605) 945-4491

To the Debtor:

Northern Beef Packers Limited Partnership  
c/o Cozen O'Connor  
Attn. Steven H. Silton  
33 South Sixth Street, Suite 4640  
Minneapolis, MN 55402  
ssilton@cozen.com; jnisset@cozen.com

To Lincoln:

Lincoln International LLC  
Attn. Chris Stradling  
500 West Madison Street, Suite 3900  
Chicago, Illinois 60661  
cstradling@lincolninternational.com

**5. Credit Bid Rights.** White Oak is deemed a Qualified Bidder upon its execution of the statement, with attachment, set forth above, and White Oak may make a combination bid of credit pursuant to 11 U.S.C. § 363(k) and cash. The amount of White Oak's bid that may be denominated a credit bid remains subject to the Court's determination, which may be made after the Auction, of the validity, priority, and extent of liens and other encumbrances against Debtor's assets and the proceeds of those assets, and subject to the resolution of any dispute regarding the amount by which SDIF-6's liens and SDIF-9's liens are subordinated to White Oak's liens. The amount of White Oak's cash bid shall be sufficient to pay in full each entity holding an encumbrance or secured claim determined by the Court to be superior to White Oak's secured claim.

**6. Communications with Bidders.** The Debtor may contact bidders to discuss the contents of such bidder's statement set forth above and advise the bidder of any modifications that may be necessary for the bidder to become a Qualified Bidder.

**7. Evaluation of Bid Packages.** The Court will determine which bidders shall be entitled to participate in the Auction as a "Qualified Bidder." Such determination will be made at the Auction, unless either Debtor or the bidder requests, by motion, an earlier determination.

### **Auction**

**8. Time and Location of Auction.** The Auction will be held at 1:15 p.m. (Central) on December 5, 2013 in the assigned courtroom, U.S. Courthouse, 400 South Phillips Avenue, Sioux Falls, South Dakota. The Court reserves the right to cancel or reschedule the Auction. The Auction will be conducted as follows:

- a. The Court will conduct the Auction. Bids will be accepted from Qualified Bidders. The bidding will begin at \$12,750,000.00. Any Qualified Bidder may raise that bid and subsequent bids in increments of \$250,000.00. The Court may modify the minimum bidding increment during the course of the Auction. The bidding will continue until all bids have been received and the Court has determined which Qualified Bidder has made the highest and best bid.
- b. For cause shown and upon appropriate notice, the Court may modify or adopt other procedures as may be necessary or appropriate to ensure the Auction yields the highest and best bid.
- c. The Auction will conclude when the Court has determined which Qualified Bidder has made the highest and best bid, and then such Qualified Bidder will become the "Successful Bidder."
- d. The Qualified Bidder who submits the next highest and best bid will become the "Back-up Bidder." If the Successful Bidder fails to timely close the sale on the terms ordered by the Court, the Back-Up Bidder will become the Successful Bidder.

### **Assumption and Assignment of Executory Contracts and Unexpired Leases**

**9.** Any assumption or assignment of an executory contract or an unexpired lease by Debtor shall be made in accordance with 11 U.S.C. § 365. The Successful Bidder may negotiate its own assumption agreement regarding any executory contract or unexpired lease held by Debtor, subject to Court approval should such assumption agreement affect any property of the estate not sold at the Auction.